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Attorneys for Defendants Radica Enterprises Ltd. d/b/a Radica USA Ltd. and Radica Games Limited

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

Infinite Machines, LLC,)	Civil Action No. 07-8625-AKH
Plaintiff,)	DEFENDANT RADICA
v.)	GAMES LIMITED'S ANSWER TO COMPLAINT
Radica Enterprises Ltd. d/b/a Radica USA Ltd. and Radica Games Limited)	DOCUMENT
Defendants.)	ELECTRONICALLY FILED
Detendants.	<i>)</i>)	

Defendant Radica Games Limited ("Radica Games" or "Defendant"), by way of answer to the Complaint of Infinite Machines, LLC ("IM" or "Plaintiff") filed October 4, 2007, herein (the "Complaint"), alleges as follows, with knowledge concerning Radica Games' own acts and on information and belief concerning all other allegations, and with the paragraph numbering herein corresponding to the paragraph numbering in the Complaint:

JURISDICTION AND VENUE

- 1. Radica Games admits that IM purports to base this action on the causes of action recited in this paragraph, but otherwise denies the same.
 - 2. Denied.

THE PARTIES

- 3. Radica Games is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation.
- 4. Denied. Radica Enterprises, Ltd. d/b/a Radica USA, Ltd. ("Radica Enterprises") is a Nevada corporation with a principal place of business at 16650 Westgrove Drive, Suite 500, Addison, TX 75001.
 - 5. Admitted.
 - 6. Denied.

FACTS COMMON TO ALL CLAIMS FOR RELIEF

- 7. Radica Games is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation.
- 8. Radica Games is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation.
- 9. Radica Games admits that Radica Enterprises is a leading developer, manufacturer and distributor of electronic handheld and table top games. Radica Games also admits that in September of 2005 Radica Enterprises contacted John C. Boucard to discuss a toy concept. Otherwise denied.

- 10. Denied as to this defendant.
- 11. At present, Radica Games is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation, except that Radica Games admits solely that Mr. Wilson disclosed to Mr. Boucard a concept called Bitty Bites.
- 12. Radica Games is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation.
 - 13. Denied.
- 14. Radica Games is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation.
- 15. Radica Games is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation.
- 16. Radica Games is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation.
- 17. Radica Games admits only that between September and November 2005, Mr. Boucard and Radica Enterprises exchanged emails and had conversations regarding the Bitty Bites concept. Otherwise denied.
- 18. Radica Games is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation.

- 19. Denied.
- 20. Radica Games is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation, except that Radica Games admits solely that Radica Enterprises met with Mr. Boucard in New York in October, 2005.
- 21. Radica Games is without knowledge or information sufficient to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation.
- 22. Radica Games admits only that Mr. Boucard and Radica Enterprises exchanged draft option and license agreements and that no mutually agreeable terms were agreed upon.

 Otherwise denied.
 - 23. Admitted.
- 24. Radica Games admits only that a display regarding the planned UB Funkeys product was presented at an internal toy fair. Radica Games is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in this paragraph, and on that basis denies each and every remaining allegation.
- 25. Radica Games admits only that Mr. Boucard contacted Radica Enterprises regarding a dispute and that it remains unresolved. Otherwise denied.
- 26. Radica Games admits that the UB Funkeys product was released in August 2007. With respect to the remaining allegations, Radica Games admits only the following: a UB Funkeys starter set includes a UB Hub with a USB cable that plugs into a personal computer; there are multiple Funkeys available which are capable of being inserted into the Hub; an owner can go to www.ubfunkeys.com, which is an information website; an owner, using its PC, can also play games involving "Funkeys Town" using the Funkey placed on the Hub; these games

also allow a player to win coins that can be used in the game to buy items to decorate their "crib." Otherwise denied.

- 27. Radica Games admits only that Robert Eckert, CEO of Mattel, and Chris Wilson of Radica Enterprises have been quoted as stating the indicated language.
 - 28. Denied.
 - 29. Denied.
 - 30. Denied.
 - 31. Denied.

CLAIM I

- 32. Radica Games incorporates its responses to Paragraphs 1 through 31 as if fully set forth herein.
- 33. Radica Games admits that this action purports to state a claim by Plaintiff for breach of contract and denies the validity of such a claim.
 - 34. Denied.
 - 35. Denied.
 - 36. Denied.
 - 37. Denied.

CLAIM II

- 38. Radica Games incorporates its responses to Paragraphs 1 through 37 as if fully set forth herein.
- 39. Radica Games admits that this action purports to state a claim by Plaintiff for misappropriation of property and denies the validity of such a claim.
 - 40. Denied.
 - 41. Denied.

CLAIM III

- 42. Radica Games incorporates its responses to Paragraphs 1 through 41 as if fully set forth herein.
- 43. Radica Games admits that this action purports to state a claim by Plaintiff for unfair competition and denies the validity of such a claim.
 - 44. Denied.
 - 45. Denied.

AFFIRMATIVE DEFENSES

- 46. The Complaint, and each claim therein, fails to state a claim upon which relief can be granted.
- 47. This Court lacks subject matter jurisdiction over this dispute under 28 U.S.C. § 1332.
 - 48. The court lacks personal jurisdiction over Radica Games.
 - 49. Venue is improper in this District.
 - 50. IM's claims for equitable relief are barred by the doctrine of unclean hands.
- 51. The Complaint, and each claim therein, is barred by the doctrines of estoppel, acquiescence, laches and waiver.
 - 52. Defendant has not breached any valid or enforceable contract.
 - 53. Defendant has not misappropriated any property belonging to Plaintiff.
- 54. Defendant has not misappropriated any property belonging to Plaintiff and Defendant does not unfairly compete with Plaintiff.
 - Plaintiff's disclosure to Radica Enterprises lacked novelty. 55.

WHEREFORE, Defendant Radica Games Limited demands judgment against Plaintiff Infinite Machines, LLC, dismissing all counts and claims of the Complaint with prejudice; awarding Defendant its attorneys' fees and costs of suit; and for such other and further relief as may be appropriate.

KENYON & KENYON LLP

Attorneys for Defendants Radica Enterprises Ltd. d/b/a Radica USA Ltd. and Radica Games Limited

By: /s Charles A. Weiss CHARLES A. WEISS

DATED: January 22, 2008 New York, New York

Of counsel:

John R. Hutchins, Esq. Kenyon & Kenyon LLP 1500 K Street, N.W. Washington, DC 20005 (202) 220-4200

CERTIFICATE OF SERVICE

I hereby certify that on the date shown below, I caused the foregoing **Defendant**Radica Games Limited's Answer to Complaint to be served by operation of the Court's ECF system on counsel for plaintiff.

/s Charles A. Weiss CHARLES A. WEISS

DATED: January 22, 2008 New York, New York